News

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AVERAGE ANNUAL PAY FOR THE MOUNTAIN STATES - 1999

Annual pay for the Mountain¹ states averaged \$30,093 in 1999, according to the U.S. Department of Labor's Bureau of Labor Statistics (BLS). Bob Gaddie, regional commissioner, noted that pay in the region was lower than the nationwide average of \$33,340. Overall, regional pay increased by 4.4 percent from 1998, matching the 4.4 percent gain for the United States.

With the exception of Colorado, pay levels in the Mountain states were lower than the national average. Colorado, with average pay of \$34,191, was one of only 14 states in the country to exceed the nationwide level. Among the other seven states in the region, pay ranged from \$31,213 in Nevada to \$23,260 in Montana, which had the lowest level regionally as well as nationally. Over the year, pay grew at a 6.0 percent pace in Colorado, the fourth highest increase in the nation, and by 4.7 percent in Idaho, also a top ten ranking. In contrast, New Mexico's pay level grew at a rate of 2.2 percent, slowest in the region and among the lowest in the country. Montana was the only other state in the region with pay growth below 3.0 percent. (See Table 1.)

Pay differences among states reflect the varying composition of employment by occupation, industry, and hours of work, as well as other factors. Similarly, over-the-year pay changes may reflect shifts in these characteristics, as well as changes in the level of average pay. Annual pay data are compiled from reports submitted by employers subject to state and federal Unemployment Insurance (UI) laws which cover 122 million full- and part-time workers nationwide. Average annual pay is computed by dividing total annual payrolls of employees covered by UI programs by the average monthly number of those employees. (See Technical Note.)

¹ The Mountain states referenced in this release are Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah and Wyoming.

Pay in metropolitan areas

Among the region's 23 metropolitan areas, Boulder-Longmont, Colorado, and Denver, Colorado had the highest average annual pay levels \$40,002 and \$38,132, respectively. Boulder and Denver were also the only metropolitan areas within the Mountain region in 1999 with pay above the \$34,900 average for the nation's 316 metropolitan areas. (See Table 2.) Yuma, Arizona and Las Cruces, New Mexico, both on the southern edge of the region and within 50 miles of the border with Mexico, were the metropolitan areas with the lowest pay in the region at \$20,362 and \$22,798, respectively.

Most metropolitan areas in the region experienced pay growth less than the 4.4 average increase for all metropolitan areas in the United States. Nationally, the same trend occurred, as approximately three-quarters of metropolitan areas had increases below the nationwide average. The smallest percentage gain in pay within the Mountain states occurred in Las Cruces, New Mexico (0.4 percent), one of 22 metropolitan areas nationwide that experienced growth of less than 1 percent. Flagstaff, Arizona-Utah (1.7 percent) followed and was the only other metropolitan area in the region with a growth rate under 2.0 percent. No area in the region reported a decline in average annual pay. Among the 6 areas in the region with pay growth that equaled or exceeded the metropolitan area average, Denver, Colorado and Boise City, Idaho led the Mountain region with pay gains of 7.0 and 6.5 percent, respectively. Boulder-Longmont, Colorado ranked third in pay growth at 5.8 percent, followed by Tucson, Arizona, Reno, Nevada, and Provo, Utah, with increases between 5.3 and 5.0 percent in 1999. (See Table 2.)

Pay in industries

Similar to the national trend, mining had the highest industry pay in every state in the Mountain region. Colorado's level exceeded all others in the region at \$67,453 and ranked third nationally behind Alaska and Texas. Nationally, the mining industry averaged \$54,636. Throughout the region, retail trade remained the industry with the lowest average annual pay, reflecting its relatively large share of part-time workers. Retail trade workers in Montana had the lowest pay level among the Mountain states averaging \$13,980 in 1999, while those in Arizona, Colorado, and Nevada made more than the national average of \$17,602. (See Table 3.)

NOTE

Data presented in this release will differ from those previously published in the three Average Annual Pay releases issued in November and December 2000. Data for New Jersey, which was unavailable at the time the national releases were issued, are now included.

TECHNICAL NOTE

These data are the product of a federal-state cooperative program in which State Employment Security Agencies (SESAs) prepare summaries of employment and total pay of workers covered by Unemployment Insurance legislation. The summaries are a by-product of the administration of state unemployment insurance (UI) programs that require most employers to pay quarterly taxes based on the employment and wages of workers covered by UI. Data for 1999 are preliminary and subject to revision.

Coverage

Employment and wage data for workers covered by state UI laws and for federal civilian workers covered by the Unemployment Compensation for Federal Employees (UCFE) program are compiled from quarterly contribution reports submitted to the SESAs by employers. In addition to the quarterly contribution reports, employers who operate multiple establishments within a state complete a questionnaire, called the "Multiple Worksite Report," which provides detailed information on the location and industry of each of their establishments. Average annual pay data are derived from summaries of employment and wages submitted by states to the Bureau of Labor Statistics. These reports are based on place of employment rather than place of residence.

UI and UCFE coverage is broad and basically comparable from state to state. In 1999, UI and UCFE programs covered workers in 127.0 million jobs. The estimated 122 million workers in these jobs (after adjustment for multiple jobholders) represent 99 percent of wage and salary civilian employment. Multiple jobholder estimates are produced by the Current Population Survey (CPS). Covered workers received \$4.232 trillion in pay, representing 94.7 percent of the wage and salary component of personal income and 45.5 percent of the gross domestic product.

Major exclusions from UI coverage during 1999 are most agricultural workers on small farms, all members of the Armed Forces, elected officials in most states, most employees of railroads, some domestic workers, most student workers at schools, and employees of certain small nonprofit organizations.

Concepts and methodology

Average annual pay is computed by dividing total annual pay of employees covered by UI programs by the average monthly number of these employees. Included in the annual payroll data are bonuses, the cash value of meals and lodging when supplied, tips and other gratuities, and, in some states, employer contributions to certain deferred compensation plans such as 401(k) plans, and stock options. Monthly employment is based on the number of workers who worked during or received pay for the pay period including the 12th of the month. With few exceptions, all employees of covered firms are reported, including production and sales workers, corporation officials, executives, supervisory personnel, and clerical workers. Workers on paid vacations and part-time workers also are included. Percentage changes in average annual pay were computed

using final 1998 data as the base. These final 1998 data may differ from the preliminary 1998 data previously published.

Average annual pay is affected by the ratio of full-time to part-time workers, as well as the number of individuals in high-paying and low-paying occupations. When comparing average annual pay levels between industries and/or states, these factors should be taken into consideration. Annual pay data only approximate annual earnings because an individual may not be employed by the same employer all year or may work for more than one employer. Also, year-to-year changes in average annual pay can result from a change in the proportion of employment in high- and low-wage jobs, as well as from changes in the level of average annual pay.

In order to insure the highest possible quality of data, SESAs verify with employers and update, if necessary, the industry, location, and ownership classification of all establishments on a 3-year cycle. Changes in establishment classification codes resulting from the verification process are introduced with the data reported for the first quarter of the year. Changes resulting from improved employer reporting also are introduced in the first quarter. For these reasons, some data, especially at more detailed industry levels, may not be strictly comparable with earlier years.

The Office of Management and Budget (OMB) defines metropolitan areas for use in federal statistical activities and updates these definitions as needed each summer. Data in this release use metropolitan area criteria established by OMB in definitions issued June 23, 1998 (OMB Bulletin No. 98-06). The 316 metropolitan areas in the United States, along with six in Puerto Rico, are a compilation of a set of areas classified as Metropolitan Statistical Areas (MSAs), Primary Metropolitan Statistical Areas (PMSAs) and Consolidated Metropolitan Statistical Areas (CMSAs). Generally speaking, a MSA consists of one or more counties and meets specified size criteria - either it contains a city of at least 50,000 inhabitants, or it includes an urbanized area (of at least 50,000 population) and a total metropolitan population of at least 100,00 (75,000 in New England). A CMSA is a metropolitan area that has a population of at least 1 million and has been divided into two or more PMSAs. The CMSA comprises the same geographic area as its constituent PMSAs which are loosely defined as free-standing areas that have a population of at least 100,000.

Additional statistics and other information

Additional average annual pay data (or Covered Employment and Wages data) is available on the BLS internet site at http://www.bls.gov/cewhome.htm. Data can be accessed in two ways, through Selective Access, which allows quick access to particular items, or via the special request FTP service, which allows access to an extensive collection of flat text files. The Kansas City Information Office can provide assistance accessing these files by calling (816) 426-2481.

This news release, along with other BLS statistics and information, is available via the internet at http://www.bls.gov/ro7news.htm.

BLS issues an annual report that provides data from state UI and UCFE programs. The comprehensive bulletin, <u>Employment and Wages</u>, <u>Annual Averages</u>, <u>1999</u>, features

information by detailed industry on establishments, employment, and wages for the nation and individually for each state. The report will be available for sale in early 2001 from the BLS Publications Sales Center, P.O. Box 2145, Chicago, Illinois 60690.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone number: 1-800-877-8339. For personal assistance or further information on annual average pay data as well as other Bureau programs, contact the Kansas City Information Office at (816) 426-2481 from 9:30 a.m. to 11:30 a.m. and 1:30 p.m. to 4:30 p.m. central time.

Table 1. Average annual pay in the Mountain states for 1998 and 1999 and percent change in pay for all covered workers(1)

	Average a	Percent	
State	1998	1999	change
			1998-99
United States	\$31,945	\$33,340	4.4
Mountain states	28,815	30,093	4.4
Arizona	29,322	30,525	4.1
Colorado	32,248	34,191	6.0
Idaho	24,868	26,044	4.7
Montana	22,648	23,260	2.7
Nevada	30,203	31,213	3.3
New Mexico	25,711	26,267	2.2
Utah	26,873	27,895	3.8
Wyoming	24,725	25,647	3.7

¹ Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs

Table 2. Average annual pay for 1998 and 1999 for all covered workers(1) by metropolitan area

Table 2. Average annual pay for 1998 and 1999 for all covered	Annual average pay		
Metropolitan area	1998	1999	Percent change 1998-99
Metropolitan areas	\$33,423	\$34,900	4.4
Las Cruces, NM	22,707	22,798	0.4
Flagstaff, AZ-UT	23,422	23,821	1.7
Casper, WY	25,094	25,683	2.3
Yuma, AZ	19,894	20,362	2.4
Santa Fe, NM	26,894	27,563	2.5
Albuquerque, NM	28,177	28,933	2.7
Pueblo, CO	23,952	24,593	2.7
Las Vegas, NV-AZ	29,804	30,634	2.8
Fort Collins-Loveland, CO	29,165	30,020	2.9
Great Falls, MT	22,509	23,154	2.9
Pocatello, ID	22,656	23,324	2.9
Billings, MT	24,802	25,551	3.0
Grand Junction, CO	24,553	25,313	3.1
Missoula, MT	23,266	24,127	3.7
Greeley, CO	26,404	27,383	3.7
Cheyenne, WY	24,312	25,234	3.8
Salt Lake City-Ogden, UT	28,370	29,497	4.0
Phoenix-Mesa, AZ	31,197	32,431	4.0
Colorado Springs, CO	29,415	30,678	4.3
Provo-Orem, UT	25,292	26,558	5.0
Reno, NV	29,832	31,381	5.2
Tucson, AZ	26,764	28,194	5.3
Boulder-Longmont, CO	37,817	40,002	5.8
Boise City, ID	28,030	29,865	6.5
Denver, CO	35,627	38,132	7.0

¹ Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.

Table 3. State and industry average annual pay in Mountain states for 1998 and 1999, and

percent change in pay for all covered workers(1)

percent change in pay for all covered workers(1)	Annual average pay		Percent
State and Industry			change
Z www with industry	1998	1999	1998-99
United States(2)			
Private(3)			
Total	\$31,762	\$33,244	4.7
Mining	52,066	54,636	4.9
Construction	33,386	34,812	4.3
Manufacturing	40,092	41,941	4.6
Transportation, communications, and public utilities	39,345	41,786	6.2
Wholesale trade	41,831	44,185	5.6
Retail trade	16,810	17,602	4.7
Finance, insurance, and real estate	48,641	50,910	4.7
Services	30,053	31,509	4.8
Arizona			
Private(3)	•	20.12.5	
Total	28,856	30,135	4.4
Mining	1	51,347	12.0
Construction	-	30,855	5.0
Manufacturing	1	44,208	3.4
Transportation, communications, and public utilities	-	37,828	5.7
Wholesale trade	-	42,662	6.9
Retail trade	-	18,416	4.4
Finance, insurance, and real estate	37,449	38,595	3.1
Services	26,725	28,140	5.3
Colorado			
Private(3)			
Total	32,211	34,318	6.5
Mining	-	67,453	14.6
Construction	33,410	34,568	3.5
Manufacturing		43,630	6.2
Transportation, communications, and public utilities		50,957	10.4
Wholesale trade	· ′	46,137	6.7
Retail trade	1	18,142	5.5
Finance, insurance, and real estate	1	46,450	9.7
Services	31,483	33,270	5.7
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See footnotes at end of table.

Table 3. State and industry average annual pay in Mountain states for 1998 and 1999, and

percent change in pay for all covered workers(1), continued

percent change in pay for an covered workers(1), continued		Average annual pay	
State and Industry			change
	1998	1999	1998-99
Idaho			
Private(3)			
Total	24,558	25,820	5.1
Mining	(4)	39,705	(4)
Construction	27,174	27,902	2.7
Manufacturing	34,218	37,559	9.8
Transportation, communications, and public utilities	30,089	30,557	1.6
Wholesale trade	28,277	30,026	6.2
Retail trade	14,972	15,813	5.6
Finance, insurance, and real estate	30,713	31,581	2.8
Services	23,626	24,392	3.2
Montana			
Private(3)			
Total	21,688	22,323	2.9
Mining	43,750	45,525	4.1
Construction	27,959	28,767	2.9
Manufacturing	31,217	30,061	-3.7
Transportation, communications, and public utilities	30,163	31,728	5.2
Wholesale trade	28,014	29,072	3.8
Retail trade	*	13,980	4.3
Finance, insurance, and real estate	,	29,889	3.4
Services	20,126	20,879	3.7
Nevada			
Private(3)			
Total	29,379	30,381	3.4
Mining	52,823	55,742	5.5
Construction	*	38,591	3.8
Manufacturing	34,983	36,122	3.3
Transportation, communications, and public utilities	33,475	35,549	6.2
Wholesale trade	38,378	40,948	6.7
Retail trade	19,091	19,995	4.7
Finance, insurance, and real estate	37,081	38,920	5.0
Services	28,223	29,103	3.1

See footnotes at end of table

Table 3. State and industry average annual pay in Mountain states for 1998 and 1999, and

percent change in pay for all covered workers(1), continued

State and Industry		Average annual pay	
		1000	change
New Mexico	1998	1999	1998-99
Private(3)			
Total	24,689	25,286	2.4
Mining		43,524	3.9
Construction.	1	25,740	1.4
Manufacturing.	34,062	35,166	3.2
Transportation, communications, and public utilities	33,027	33,427	1.2
Wholesale trade	31,139	32,292	3.7
Retail trade		15,615	3.4
Finance, insurance, and real estate		31,097	2.1
Services	25,715	26,335	2.4
Sci vices	23,713	20,333	2.4
Utah			
Private(3)			
Total	26,491	27,588	4.1
Mining	46,263	46,138	-0.3
Construction.	27,207	28,339	4.2
Manufacturing		33,637	3.6
Transportation, communications, and public utilities		36,191	4.4
Wholesale trade	35,788	37,496	4.8
Retail trade	15,792	16,677	5.6
Finance, insurance, and real estate	34,484	34,623	0.4
Services	25,563	26,955	5.4
Wyoming			
Private(3)			
Total	24,222	25,195	4.0
Mining	47,672	49,049	2.9
Construction	26,842	28,809	7.3
Manufacturing	32,212	32,409	0.6
Transportation, communications, and public utilities	34,482	36,171	4.9
Wholesale trade	30,365	31,621	4.1
Retail trade	13,791	14,278	3.5
Finance, insurance, and real estate.	29,376	34,393	17.1
Services	19,410	20,358	4.9

¹ Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UFCE) programs.

² Totals for the United States do not include data for Puerto Rico.

³ Includes data for industries in addition to those shown separately.

⁴ Data do not meet BLS or State agency disclosure standards.